December 17, 2002

Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Supervisors:

JOINT RESOLUTION BETWEEN THE COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF THE PROPOSED ANNEXATION NO. 1998-01 (SUPERVISORIAL DISTRICT 5) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the attached Joint Resolution between your Board and the City Council
of the City of Palmdale based on the negotiated exchange of property tax
revenue, as a result of the proposed annexation of uninhabited territory to the
City.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On December 13, 2000, the Palmdale City Council adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of approximately 307 acres of uninhabited territory. A portion of the proposed annexation area (approximately 75 acres, owned by Waste Management, Inc.) relates to the Antelope Valley Public Landfill that is located in two separate jurisdictions, the City of Palmdale and unincorporated Los Angeles County. The City portion of the landfill site is currently operational; however, the portion within the County's jurisdiction is undeveloped. A Conditional Use Permit for the landfill site in the County's jurisdiction was issued in 1992 (amended in 1993) for the operation of a municipal solid waste landfill. The request to annex the landfill site within the County's land use jurisdiction to the City Palmdale would ensure that the future expansion and development of the landfill will occur under a single jurisdiction.

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In order for the Local Agency Formation Commission of Los Angeles County (LAFCO) to proceed with the required hearings on the proposed annexation, your Board, as the governing body of the County, must adopt the attached Joint Resolution.

FISCAL IMPACT/FINANCING

The adopted resolution will transfer from the County to the City of Palmdale four hundred sixty-three dollars (\$463) in base property tax revenue and the statutory prescribed property tax increment (7 percent before Educational Revenue Augmentation Fund adjustment) attributable to the annexation area. The property tax transfer will become effective Fiscal Year 2004-05.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City adopted a resolution and with WMI's consent filed its application with LAFCO on February 2, 1999, to initiate proceedings for annexation of approximately 307 acres, a portion of which will be used to expand the landfill.

Section 99 of the Revenue and Taxation Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City adopted the negotiated Joint Resolution on December 13, 2000.

Adoption of the Resolution by your Board will allow LAFCO to schedule the required public hearing to consider testimony on the proposed annexation. LAFCO will subsequently take action to approve, approve with changes or disapprove the proposal.

The Joint Resolution has been approved as to form by County Counsel.

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CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of the letter and five signed originals of the Resolution to LAFCO, three approved copies of this letter and one signed original Resolution to the Chief Administrative Office, Office of Unincorporated Area Services, and one copy of the approved letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

DAVID E. JANSSEN Chief Administrative Officer

DEJ:LS DD:MJS:nl

Attachment

c: Local Agency Formation Commission